



The President's Daily Brief

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4 April 1969

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~~*Top Secret*~~

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5 April 1969

LATE NOTES FOR THE PRESIDENT'S DAILY BRIEF OF
4 APRIL 1969

I. MAJOR PROBLEMS

SOVIET AFFAIRS

Prague was calm yesterday afternoon

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Some of the groups which have been at the center of anti-Soviet activity seem to be knuckling under. The trade unions have announced for the first time since the August intervention that they will join Dubcek's "normalization" efforts, and union leaders are working hard to avoid a general strike over proposed price increases. Czechoslovak journalists, on the other hand, are still giving ground reluctantly. They were sharply criticized today by the Czech Communist Party's executive committee. (Central Intelligence Bulletin; UPI 034, 5 Apr;

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There is nothing significant to report in the Middle East, Vietnam, or Europe.

II. OTHER IMPORTANT DEVELOPMENTS

LAOS

Government forces yesterday abandoned the southern Laos base of Thateng. The move was not precipitated by an enemy attack; rather, it was ordered by the regional commander in the face of low troop morale and difficulties of resupply and reinforcement.

The loss of Thateng--the first significant government position in southern Laos to fall into enemy hands this year--does not by itself alter the military equation in the Bolovens

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Plateau area. It is, however, another result of an enemy campaign dating back to 1967 to isolate the Bolovens and confine government troops to areas along the Mekong River. Recent Pathet Lao harassments along Route 13 appear to be part of this effort. In addition, fresh pressure against small government positions at Keng Nhao and Paksong may be designed to remove the last vestiges of government presence in the northern part of the plateau.

The military situation in northern Laos meanwhile remains quiet.

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I. MAJOR PROBLEMS

VIETNAM

Several public statements by the Vietnamese Communists over the past few days suggest that they will continue to react negatively for a while to any approaches for secret talks between the GVN and the Front. Tran Buu Kiem on 3 April characterized recent US statements on secret talks as "cunning treachery" aimed at diverting public pressure "which demands an early end to the war." A Liberation Radio commentary, also on 3 April, made the same charges.

Nevertheless, the Communists are seeking to keep the door slightly ajar on possible future private talks. Kiem quoted the Liberation Front response to Thieu's call for private talks, in which the Front stated that "the decisive question is not to talk this way or that;" this clearly leaves open the possibility of a Communist agreement to private talks in the future.

The same Front statement presented a new formulation describing the "decisive question" as "whether or not the Nixon administration wants to put an end to its aggression against Vietnam; whether or not it wants to withdraw unconditionally all US and satellite troops from South Vietnam." A commentary in the party daily on 3 April used the same language. Previously the usual Communist formulation was that the US "must end its aggression" and "must withdraw its troops...." (Underlining added.)

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This kind of semantic variation of basic themes is a favorite Vietnamese Communist technique for introducing a hint of flexibility into hard-line, maximum public positions. In regard to the bombing halt, for instance, the North Vietnamese implied that an agreement in principle by the US to stop the bombing unconditionally would be sufficient to move them toward full negotiations. In fact, however, Hanoi demanded that the US set a specific date for ending the bombing and that the bombing actually end before Hanoi would move ahead into substantive talks with the GVN present.

In this regard, it should be noted that in his presentation on 3 April, Tran Buu Kiem also restated the hard-version of the Communist demand--"the key to the settlement of the present South Vietnam problem is that the United States must withdraw all its own and satellite troops from South Vietnam, without asking any condition whatsoever, and let the South Vietnam people settle themselves their internal affairs, in accordance with the political program of the Liberation Front without foreign interference." (Underlining added.)

Thus we regard the Communists' attitude as being inclined against opening private talks between the Front and the GVN, at least for the present. The Communists apparently still believe their best tactic is to stand firm for a while until they see whether domestic pressures within the US will force the administration's hand. At the same time, the Communists will continue to send

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out vague signals suggesting they are ready for bargaining on the key issues without in fact compromising their basic positions.

The Communists may be attempting to orchestrate the flexible phrasing of their public position with a slowdown in the pace of their military offensive in South Vietnam. Activity initiated by the enemy has remained at a sharply reduced level for more than a week. The pull-back of main force units continues in I and II Corps,

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Recent satellite photography provides the first firm evidence that the "Shaddock" cruise missile launcher has been deployed near the Sino-Soviet border north of Manchuria. The Shaddock can deliver a nuclear warhead to a range of about 300 miles. This missile augments two other mobile missile systems that have been moved to the border as part of the general Soviet buildup of forces which has been going on there for several years.

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According to members of the Czechoslovak military mission in West Berlin, Warsaw Pact leaders have "confirmed" that there would be a reorganization of the

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Pact to provide for increased command responsibilities for personnel from member states. They said that East German Defense Minister Heinz Hoffman, who is the logical choice for a high position because of his age and experience, has been in Moscow preparing for his new duties.

The Soviets presumably also consider Hoffman to be a logical candidate for any new job because he is likely to be more amenable to their direction than any of the other defense ministers. The continuing absence from public view of Bulgarian Defense Minister Dzhurov has led to speculation that he too may be in line for a new job, possibly as Hoffman's deputy.

In recent years, the Eastern European members of the Pact--particularly the Rumanians--have been pressing the Soviets for a share in the Pact's command structure. All the members will probably welcome any institutional change, but many of them probably will have doubts that any practical effects will flow from the appointment of such hard-line dogmatists as Hoffmann and Dzhurov.

EUROPE

On 27 March a daily news letter published by Georges Broussine, a Gaullist with an "in" to the Elysee Palace, contended that US relations with Europe "turned a page" following President Nixon's visit. The letter stated that the US now considers it has relations with the individual states of Europe, not with the continent as a whole. This letter

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could be considered an indication that the French are playing a psychological warfare game, particularly with the Italians, Dutch, and British, attempting to frighten them by implying that Washington is preparing to abandon them in favor of improved bilateral relations with France. It conflicts, however, with another line taken by Paris, that the President's visit created a good atmosphere but that neither side changed its basic views on Europe.

MIDDLE EAST

The embassy in Tel Aviv has indications that Jewish emigration from the USSR to Israel has increased even more sharply than we had thought. An embassy source reports that 600 Jews emigrated in February alone. This is a higher rate than obtained before the June 1967 war.

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II. OTHER IMPORTANT DEVELOPMENTS

SOUTH AFRICA

South Africa, faced with a growing deficit in its balance of payments, sold over 75 tons of gold on the free market in Switzerland during the first quarter of this year. The selling price averaged about \$42 an ounce. Two-thirds of the sales took place last month when a flurry of demand for gold caused the price to rise sharply on the free market. Despite Pretoria's reluctance to sell gold in quantities which might drive the price down, we expect substantial new sales in the near future. South Africa's receipts from gold sales in the first quarter--about \$100 million--amounted to less than half its payments deficit.

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